- Inherent intermittent nature of renewable energy sources leading to low capacity utilization factors ranging between 17% to 70%, depending on resource and location;
- Grid penetration limitations on account of intermittent nature of supply; Relatively higher capital investment compared to conventional power projects; and
- Requirement of preferential tariffs apart from other fiscal and/or financial concessions to make investment in renewable power a commercially attractive proposition.

(d) Global research, design and development activity, including that in this country is aiming to align the unit cost of renewable power generation to that of conventional power generation, especially in solar power generation technologies. However, renewable energy systems/devices costs have shown a consistent reducing trend apart from their becoming more reliable, convenient and acceptable. In niche applications such systems/devices have already demonstrated their competitiveness.

Setting up of mini-hydro projects in rural and hilly areas

†1609. SHRI SAMAN PATHAK: Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) whether Government have any scheme to set up mini-hydro projects in rural and hilly areas, by providing exemptions;

(b) if so, the details thereof, State-wise and area-wise; and

(c) whether Government propose to set up such projects in hilly areas of West Bengal, particularly in Darjeeling, Kharsand, Kalimpong and Mirik by providing exemptions?

THE MINISTER OF STATE OF THE MINISTRY OF NEW AND RENEWABLE ENERGY (SHRI VILAS MUTTEMWAR): (a) and (b) The Ministry of New and Renewable Energy is providing Central financial assistance for the setting up of small/mini hydro power projects in potential States, where actual implementation is carried out mainly by the public and private sectors. Small/mini hydro power projects are given a higher level subsidy in special category States. Further, in the case of distributed generation projects for villages that will not receive grid-connectivity under the Rajiv Gandhi Grameen Vidyutikaran Yojana Central financial assistance upto 90 per cent of normative system cost, subject to a celling of Rs. 18,000/ household, is given.

(c) Small/mini hydro power projects in the country, including hilly areas of West Bengal, are eligible for the grant of Central financial assistance, in keeping with the provisions of this Ministry's scheme for the deployment of small/mini hydro power projects in operation.

†Original notice of the question was received in Hindi.